

Index Sheet

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Rec Date:

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October 17, 2012

Anthony DiGiorgio, President
Winthrop University
701 Oakland Avenue
Rock Hill, SC 29733

United Parcel Service
#1ZA5467Y0192932323

RE: **Final Program Review Determination**
OPE ID: 003456
PRCN: 2012-2-04-27902

Dear Dr. DiGiorgio:

The U.S. Department of Education's (Department's) School Participation Division - Atlanta issued a program review report on June 7, 2012 covering Winthrop University's (WU's) administration of programs authorized by Title IV of the Higher Education Act of 1965, as amended, 20 U.S.C. §§ 1070 et seq. (Title IV, HEA programs), for all award years in which Title IV funds were disbursed from any unreported, unapproved additional locations. WU's final response was received on October 3, 2012. A copy of the program review report (and related attachments) and WU's response are attached. Any supporting documentation submitted with the response is being retained by the Department and is available for inspection by WU upon request. Additionally, this Final Program Review Determination (FPRD), related attachments, and any supporting documentation may be subject to release under the Freedom of Information Act (FOIA) and can be provided to other oversight entities after this FPRD is issued.

Purpose:

Final determinations have been made concerning all of the outstanding findings of the program review report. The purpose of this letter is to: (1) identify liabilities resulting from the findings of this program review report, (2) provide instructions for payment of liabilities to the Department, (3) notify the institution of its right to appeal and (4) notify WU of a possible adverse action. Due to the serious nature of one or more of the enclosed findings, this FPRD is being referred to the Department's Administrative Actions and Appeals Service Group (AAASG) for its consideration of possible adverse action.

Such action may include a fine, or the limitation, suspension or termination of the eligibility of the institution. Such action may also include the revocation of the institution's program participation agreement (if provisional), or, if the institution has an application pending for renewal of its certification, denial of that application. If AAASG initiates any action, a separate

Federal Student Aid, School Participation Division - Atlanta
61 Forsyth Street SW, Room 18T40, Atlanta, GA 30303
www.FederalStudentAid.ed.gov

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notification will be provided which will include information on institutional appeal rights and procedures to file an appeal.

The total liabilities due from the institution from this program review are **\$55,826.67**.

This final program review determination contains detailed information about the liability determination for all findings.

Appeal Procedures:

This constitutes the Department's FPRD with respect to the liabilities identified from the June 7, 2012 program review report. If WU wishes to appeal to the Secretary for a review of monetary liabilities established by the FPRD, the institution must file a written request for an administrative hearing. The Department must receive the request no later than 45 days from the date WU receives this FPRD. An original and four copies of the information WU submits must be attached to the request. The request for an appeal must be sent to:

Ms. Mary E. Gust, Director
Administrative Actions and Appeals Service Group
U.S. Department of Education
Federal Student Aid/PC
830 First Street, NE - UCP3, Room 84F2
Washington, DC 20002-8019

WU's appeal request must:

- (1) indicate the findings, issues and facts being disputed;
- (2) state the institution's position, together with pertinent facts and reasons supporting its position;
- (3) include all documentation it believes the Department should consider in support of the appeal. An institution may provide detailed liability information from a complete file review to appeal a projected liability amount. Any documents relative to the appeal that include PII data must be redacted except the student's name and last four digits of his / her social security number (please see the attached document, "Protection of Personally Identifiable Information," for instructions on how to mail "hard copy" records containing PII); and
- (4) include a copy of the FPRD. The program review control number (PRCN) must also accompany the request for review.

If the appeal request is complete and timely, the Department will schedule an administrative hearing in accordance with § 487(b)(2) of the HEA, 20 U.S.C. § 1094(b)(2). The procedures followed with respect to WU's appeal will be those provided in 34 C.F.R. Part 668, Subpart H. **Interest on the appealed liabilities shall continue to accrue at the applicable value of funds**

rate, as established by the United States Department of Treasury, or if the liabilities are for refunds, at the interest rate set forth in the loan promissory note(s).

Record Retention:

Program records relating to the period covered by the program review must be retained until the later of: resolution of the loans, claims or expenditures questioned in the program review; or the end of the retention period otherwise applicable to the record under 34 C.F.R. §§ 668.24(e)(1), (e)(2), and (e)(3).

The Department expresses its appreciation for the courtesy and cooperation extended during the review. If the institution has any questions regarding this letter, please contact Angelique James at 404-974-9441. Questions relating to any appeal of the FPRD should be directed to the address noted in the Appeal Procedures section of this letter.

Sincerely,

(b)(6); (b)(7)(C); (b)(7)(C)

Chuck Engstrom
Area Case Director

Enclosure:
Protection of Personally Identifiable Information

cc: Michelle Hare, Financial Aid Administrator
SC Commission on Higher Education
Southern Association of Colleges and Schools Commission on Colleges

PROTECTION OF PERSONALLY IDENTIFIABLE INFORMATION

Personally Identifiable Information (PII) being submitted to the Department must be protected. PII is any information about an individual which can be used to distinguish or trace an individual's identity (some examples are name, social security number, date and place of birth).

PII being submitted electronically or on media (e.g., CD-ROM, floppy disk, DVD) must be encrypted. The data must be submitted in a .zip file encrypted with Advanced Encryption Standard (AES) encryption (256-bit is preferred). The Department uses WinZip. However, files created with other encryption software are also acceptable, provided that they are compatible with WinZip (Version 9.0) and are encrypted with AES encryption. Zipped files using WinZip must be saved as Legacy compression (Zip 2.0 compatible).

The Department must receive an access password to view the encrypted information. The password must be e-mailed separately from the encrypted data. The password must be 12 characters in length and use three of the following: upper case letter, lower case letter, number, special character. A manifest must be included with the e-mail that lists the types of files being sent (a copy of the manifest must be retained by the sender).

Hard copy files and media containing PII must be:

- sent via a shipping method that can be tracked with signature required upon delivery
- double packaged in packaging that is approved by the shipping agent (FedEx, DHL, UPS, USPS)
- labeled with both the "To" and "From" addresses on both the inner and outer packages
- identified by a manifest included in the inner package that lists the types of files in the shipment (a copy of the manifest must be retained by the sender).

PII data cannot be sent via fax.

Prepared for

Winthrop University



START HERE
GO FURTHER
FEDERAL STUDENT AID

OPE ID 003456

PRCN 2012-2-04-27902

Prepared by:

U.S. Department of Education

Federal Student Aid

School Participation Team - Atlanta

Final Program Review Determination

October 12, 2012

Federal Student Aid, School Participation Division - Atlanta
61 Forsyth Street SW, Room 18T40, Atlanta, GA 30303
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A. Institutional Information

Winthrop University
701 Oakland Avenue
Rock Hill, SC 29733 0001

Type: Public

Highest Level of Offering: Master's Degree or Doctor's Degree

Accrediting Agency: Southern Association of Colleges and Schools Commission on Colleges

Current Undergraduate Student Enrollment: 4,859 (2011/2012)

Current Graduate Student Enrollment: 1,054 (2011/2012)

% of Undergraduate Students Receiving Title IV: 70.32% (2011/2012)

% of Graduate Students Receiving Title IV: 45.54% (2011/2012)

Title IV Participation:

2010-2011 Award Year

Federal Pell Grant Program (Pell)	\$8,773,227
Federal Perkins Loan Program (Perkins)	\$397,000
Federal Supplemental Education Opportunity Grant (SEOG)	\$236,476
Federal Work Study (FWS)	\$268,909
William D. Ford Direct Loan Program (Direct Loan)	\$37,071,428
Academic Competitiveness Grant (ACG)	\$432,063
National Science and Mathematics Access to Retain Talent Grant (SMART)	\$224,683
Teacher Education Assistance for College and Higher Education Grant (TEACH)	\$833,705

Default Rate FFEL/DL:	2009	5.1%
	2008	3.6%
	2007	4.0%

Default Rate Perkins:	2010	15.1%
	2009	9.9%
	2008	9.9%

B. Scope of Review

The U.S. Department of Education (the Department) conducted a program review at Winthrop University (WU) from March 23, 2012 to April 5, 2012. The review was conducted by Angelique James.

The focus of the review was unreported locations. The review consisted of an examination of WU's additional locations at which the institution offered 50% or more of Title IV eligible educational programs.

A spreadsheet was provided by WU containing a list of students that were identified as receiving Title IV aid at one of WU's additional locations at which the institution offered 50% or more of Title IV eligible educational programs.

In addition, a spreadsheet was provided by WU containing all students that have withdrawn (officially and unofficially) in 2010 – 2011 and 2011 – 2012. This spreadsheet was required based on Finding 3.

Appendix A lists the names and partial social security numbers of the students that were identified as receiving Title IV aid at one of WU's additional locations at which the institution offered 50% or more of Title IV eligible educational programs. A program review report was issued on June 7, 2012.

Disclaimer:

Although the review was thorough, it cannot be assumed to be all-inclusive. The absence of statements in the report concerning WU's specific practices and procedures must not be construed as acceptance, approval, or endorsement of those specific practices and procedures. Furthermore, it does not relieve WU of its obligation to comply with all of the statutory or regulatory provisions governing the Title IV, HEA programs.

C. Findings and Final Determinations

Resolved Findings with Comments

Finding 2: Unreported Additional Locations

WU has taken the corrective actions necessary to resolve Finding 2 of the Program Review Report. The institution states that this finding occurred due to a lack of internal communication. The institution has revised a new "Request for Approval Off-Site" form in which the institution states will play an integral role in the facilitation of

interdepartmental communication such that all offices involved in off-site locations are adequately notified in the planning stages of the new off-site locations. WU states that it is confident that future additional locations will be established in the timeframes required by local, state and federal agencies. However, because WU failed to notify the Department of its South Mecklenburg and Professional Development Center, (where it intended to offer 50% or more of a Title IV eligible educational program for both locations) within 10 days of its establishment, WU will be referred to the Department's Administrative Actions and Appeals Service Group (AAASG) for possible adverse action. An adverse action may include the imposition of a fine, or the limitation, suspension, or termination of the eligibility of the institution pursuant to 34 C.F.R. Part 668, Subpart G. WU will be notified under separate cover if adverse action is taken. This finding is considered closed.

Finding 3: Unofficial Withdrawal Policy Not Adequately Developed

WU has taken the corrective actions necessary to resolve Finding 3 in the Program Review Report. WU stated that it has now published its unofficial withdrawal policy on the Winthrop Policy Repository and has requested to revise the student handbook to include its unofficial withdrawal policy. The institution states that it has also updated its financial aid website to contain a link to the withdrawal policy contained on the WU Policy Repository. Copies of the published official and unofficial withdrawal policy on the Winthrop Policy Repository and draft student handbook revisions were submitted to the Department with the institution's response to the Program Review Report. WU was also required to perform a file review for all students that had withdrawn (officially and unofficially) in 2010 – 2011 and 2011 – 2012 and indicated no liabilities associated with this finding. This finding is considered closed. Findings requiring further action by WU are discussed below.

Findings with Final Determinations

The Program Review Report finding requiring further action is summarized below. At the conclusion of this finding is a summary of WU's response to the finding, and the Department's final determination for that finding.

Note: Any additional costs to the Department, including interest, special allowances, cost of funds, unearned administrative cost allowance, etc., are not included in individual findings, but instead are included in the summary of liabilities table in Section D of the report.

Finding 1: Ineligible Locations

Citation: A fully certified eligible institution is required to report the establishment of an accredited and licensed additional location at which it offers or will offer 50% or more of a Title IV eligible educational program to the Department within 10 days of its

establishment if the institution wants to disburse Title IV funds to students enrolled at that location. Once the location is reported, the school may disburse funds at that location. If the institution fails to report the location to the Department within the aforementioned timeframe, adverse action may be taken against the institution. See 34 C.F.R. § 600.21(a) and (d).

Noncompliance: *WU received Southern Association of Colleges and Schools (SACS) approval for the Great Falls Middle/High School Complex additional location at 411 Sunset Avenue, Great Falls, SC 29055-1135 on November 24, 2010. In January, 2011, WU began offering 50% or more of a Title IV eligible educational program and also began disbursing Title IV aid to students enrolled at the Great Falls Middle/High School Complex location. However, WU had not received state approval for this location at the time of Title IV disbursement. Also, WU had not reported this location of Great Falls Middle/High School Complex to the Department. WU received state approval for the Great Falls Middle/High School Complex additional location on August 1, 2011. The Department approved this location on December 14, 2011 (Table 1).*

In June 2010, WU began offering 50% or more of a Title IV eligible educational program and began disbursing Title IV aid to students enrolled at the Laurens County Higher Education Center location at 663 Medical Ridge Road Clinton, SC 29325-0000. However, WU did not have SACS or state approval before disbursing Title IV funds. In addition, WU had not reported this location of Laurens County Higher Education Center to the Department. WU received SACS approval for the Laurens County Higher Education Center additional location on July 8, 2010. WU received state approval for the Laurens County Higher Education Center on August 1, 2011. The Department approved this location on August 10, 2011. WU ceased disbursing Title IV funds at the Laurens County Higher Education Center location on December 13, 2011 (Table 1).

In June 2008, WU began offering 50% or more of a Title IV eligible educational program and began disbursing Title IV aid to students enrolled at the Newberry College location at 2100 College Street Newberry SC 28210-0000. However, WU did not have SACS or state approval before disbursing Title IV funds. In addition, WU had not reported this location of Newberry College to the Department. WU received SACS approval for the Newberry College additional location on October 12, 2009. WU received state approval for the Newberry College additional location on February 12, 2009. The Department approved this location on August 10, 2011. WU ceased disbursing Title IV funds at the Newberry College location on May 4, 2010 (Table 1).

School officials have stated that the institution is aware that an internal communication problem existed regarding off-site locations. School officials have been working to ensure these problems do not persist in the future due to the severity and implications on federal and state regulations.

Winthrop University OPEID: 003456					
Location	Accreditation Date	State Licensing Date	DOE Approval Date	Initial TIV Disbursement Date	End of TIV Disbursement Date
Great Falls Middle/High School	11/24/2010	8/1/2011	12/14/2011	1/3/2011	Ongoing
Laurens County Higher Education Center	7/8/2010	8/1/2011	8/10/2011	6/14/2010	12/13/2011
Newberry College	10/12/2009	2/12/2009	8/10/2011	6/2/2008	5/4/2010

Table 1

Required Action: Disbursements of Title IV funds to students at unapproved locations are liabilities that must be repaid to the Department. WU's officials stated that all disbursements made to the unapproved locations were Federal Direct Loans. Based on a file review conducted by the institution, WU provided a spreadsheet containing the loan amount, by student of all ineligible loans disbursed at these locations (Appendix A). The Department will not assert a liability for the entire loan amount and require the institution to purchase the loans, but will establish a repayment amount based upon estimated actual or potential loss that the government may incur with respect to ineligible loans. This will reduce the amount of the liabilities owed by the institution.

WU's Response: The institution concurs with this finding and acknowledges an internal communication problem as the reason for not reporting the off-site locations to the Department within the required time frame. The institution has revised its "Request for Approval Off-Site" form in which the institution states will play an integral role in the facilitation of interdepartmental communication such that all offices involved in off-site locations are adequately notified in the planning stages of the new off-site locations. In addition, WU states that the financial aid office now codes all off-site cohort students in Banner and reviews a weekly report that lists all financial aid recipients scheduled for off-site classes. WU states that these two safeguards have been implemented to make certain that students attending off-site locations do not receive Title IV funds if they are attending a location that is pending Department approval. WU states that it is confident that future additional locations will be established in the timeframes required by local, state and federal agencies. WU states that these new procedures will prevent students from receiving Title IV disbursements at unapproved or unreported locations (Appendix B).

Final Determination: WU disbursed Title IV funds to students at additional locations at which it offered 50% or more of Title IV eligible educational programs before receiving Department and SACS/state approval. WU disbursed these ineligible funds at Great Falls Middle/High School, Laurens County Higher Education and Newberry College locations.

The locations where these ineligible funds were disbursed are all graduate school locations and therefore the students were only disbursed direct loans. WU conducted a file review and provided a spreadsheet containing the loan amount, by student, of all ineligible loans disbursed at these locations (Appendix A). The file review identifies liabilities totaling \$496,610.

Estimated Actual Loss Requirements – No Projections

The total amount of ineligible Direct Loan funds (subsidized and unsubsidized) disbursed to students at Great Falls Middle/High School, Laurens County Higher Education and Newberry College locations during the 2007/2008, 2008/2009, 2009/2010 and 2010/2011 award years is \$496,610. The estimated actual loss to the Department that has resulted or will result from those ineligible loans is based on WU's most recent cohort default rate available. As a result, the estimated actual loss that WU must pay to the Department for the ineligible loans is \$55,826.67 (Table 2). The estimated actual loss worksheets are included in Appendix C, Appendix D, Appendix E, and Appendix F.

Winthrop University OPEID: 003456			
Award Year	Ineligible Loan Amount*	Default Rate	Estimated Actual Loss Liability
2007-2008	\$32,036.00	5.1%	\$5,494.88
2008-2009	\$123,143.00	5.1%	\$15,534.29
2009-2010	\$80,098.00	5.1%	\$8,189.43
2010-2011	\$261,333.00	5.1%	\$26,608.07
TOTAL	\$496,610.00		\$55,826.67

Table 2

**Note: Ineligible Loan Amount contains Subsidized and Unsubsidized Loans.*

D. Summary of Liabilities

The total amount calculated as liabilities from the finding in the Program Review Determination is as follows.

Initial Liabilities	EALF DL	
Finding 1		
Subtotal 1	\$55,826.67	
Interest/SA		
Excess Cash		
ACA		
Subtotal 2		
TOTAL	\$55,826.67	
Payable To:		Totals
Department	ED	\$55,826.67
Students		\$0
Lenders		\$0
Inst Accounts		\$0

E. Payment Instructions

1. Liabilities Owed to the Department

Liabilities Owed to the Department \$1,000 or More but Less Than \$100,000

WU owes to the Department **\$55,826.67**. Payment must be made by forwarding a check made payable to the "U.S. Department of Education" to the following address within 45 days of the date of this letter:

U.S. Department of Education
P.O. Box 979026
St. Louis, MO 63197-9000

Remit checks only. Do not send correspondence to this address. **Payment must be made via check and sent to the above Post Office Box, payment and/or adjustments made via GAPS/G5 will not be accepted as payment of this liability.**

The following identification data must be provided with the payment:

Amount: \$55,826.67
DUNS: 071055214
TIN: 576001204
PRCN: 2012-2-04-27902

Terms of Payment

As a result of this final determination, the Department has created a receivable for this liability and payment must be received by the Department within **45 days of the date of this letter**. If payment is not received within the 45-day period, interest will accrue in monthly increments from the date of this determination, on the amounts owed to the Department, at the current value of funds rate in effect as established by the Treasury Department, until the date of receipt of the payment. WU is also responsible for repaying any interest that accrues. If you have any questions regarding interest accruals or payment credits, contact the Department's Accounts Receivable Group at (202) 245-8080 and ask to speak to WU's account representative.

If full payment cannot be made within 45 days of the date of this letter, contact the Department's Accounts Receivable Group to apply for a payment plan. Interest charges and other conditions apply. Written requests may be sent to:

U.S. Department of Education
OCFO Financial Management Operations
Accounts Receivable Group

550 12th Street, S.W., Room 6111
Washington, DC 20202-4461
Attn: Cindy Dixon

If within 45 days of the date of this letter, WU has neither made payment in accordance with these instructions nor entered into an arrangement to repay the liability under terms satisfactory to the Department, the Department intends to collect the amount due and payable by administrative offset against payments due to WU from the Federal Government. **WU may object to the collection by offset only by challenging the existence or amount of the debt.** To challenge the debt, WU must **timely appeal** this determination under the procedures described in the "Appeal Procedures" section of the cover letter. The Department will use those procedures to consider any objection to offset. **No separate appeal opportunity will be provided.** If a timely appeal is filed, the Department will defer offset until completion of the appeal, unless the Department determines that offset is necessary as provided at 34 C.F.R. § 30.28. This debt may also be referred to the Department of the Treasury for further action as authorized by the Debt Collection Improvement Act of 1996.

F. Appendices¹

¹ The total Title IV aid disbursed (Subsidized and Unsubsidized Direct Loans) at unreported locations is **\$496,610** (Appendix A).

Appendix A: Listing of Students at Unreported Locations

Line Item	Student Name	Student First Name	SSN	Student Location of Education	Award Year	Program Type	Total Amount Disbursed
1	(b)(6); (b)(7)(C); (b)(7)(D)			Great Falls	2010/2011	Subsidized Direct Loan	\$3,512
2				Great Falls	2010/2011	Subsidized Direct Loan	\$8,416
3				Great Falls	2010/2011	Unsubsidized Direct Loan	\$4,768
4				Great Falls	2010/2011	Subsidized Direct Loan	\$8,458
5				Great Falls	2010/2011	Unsubsidized Direct Loan	\$120
6				Great Falls	2010/2011	Subsidized Direct Loan	\$6,047
7				Great Falls	2010/2011	Unsubsidized Direct Loan	\$2,531
8				Great Falls	2010/2011	Subsidized Direct Loan	\$7,135
9				Great Falls	2010/2011	Subsidized Direct Loan	\$8,199
10				Laurens County	2010/2011	Subsidized Direct Loan	\$8,459
11				Laurens County	2010/2011	Subsidized Direct Loan	\$8,458
12				Laurens County	2010/2011	Subsidized Direct Loan	\$8,458
13				Laurens County	2010/2011	Subsidized Direct Loan	\$3,483
14				Laurens County	2010/2011	Unsubsidized Direct Loan	\$7,960
15				Laurens County	2010/2011	Subsidized Direct Loan	\$4,742
16				Laurens County	2010/2011	Subsidized Direct Loan	\$8,460
17				Laurens County	2010/2011	Unsubsidized Direct Loan	\$11,941
18				Laurens County	2009/2010	Subsidized Direct Loan	\$4,416
19				Laurens County	2009/2010	Unsubsidized Direct Loan	\$2,702
20				Laurens County	2009/2010	Subsidized Direct Loan	\$845
21				Laurens County	2009/2010	Unsubsidized Direct Loan	\$6,273
22				Laurens County	2010/2011	Subsidized Direct Loan	\$8,460
23				Laurens County	2010/2011	Unsubsidized Direct Loan	\$8,509
24				Laurens County	2009/2010	Subsidized Direct Loan	\$1,700
25				Laurens County	2010/2011	Unsubsidized Direct Loan	\$3,384
26				Laurens County	2010/2011	Unsubsidized Direct Loan	\$15,920
27				Laurens County	2010/2011	Subsidized Direct Loan	\$4,230
28				Laurens County	2010/2011	Subsidized Direct Loan	\$8,458
29				Laurens County	2010/2011	Unsubsidized Direct Loan	\$10,498
30				Laurens County	2010/2011	Unsubsidized Direct Loan	\$18,083
31				Laurens County	2010/2011	Subsidized Direct Loan	\$8,458
32				Laurens County	2010/2011	Unsubsidized Direct Loan	\$2,714
33				Laurens County	2009/2010	Subsidized Direct Loan	\$2,142
34				Laurens County	2009/2010	Unsubsidized Direct Loan	\$3,317
35				Newberry College	2007/2008	Subsidized Direct Loan	\$2,061
36				Newberry College	2008/2009	Unsubsidized Direct Loan	\$17,298
37				Newberry College	2008/2009	Subsidized Direct Loan	\$3,102
38				Newberry College	2009/2010	Subsidized Direct Loan	\$4,229
39				Newberry College	2009/2010	Unsubsidized Direct Loan	\$4,788
40				Newberry College	2007/2008	Subsidized Direct Loan	\$3,516

Serial Number	Student Last Name	Student First Name	Last SSN	Student Location of Education	Award Year	Program Type	Total Title IV Amount Disbursed
41	(b)(6); (b)(7)(C); (b)(7)(C)			Newberry College	2008/2009	Subsidized Direct Loan	\$7,789
42				Newberry College	2009/2010	Subsidized Direct Loan	\$4,229
43				Newberry College	2008/2009	Unsubsidized Direct Loan	\$5,970
44				Newberry College	2009/2010	Unsubsidized Direct Loan	\$3,234
45				Newberry College	2007/2008	Subsidized Direct Loan	\$2,653
46				Newberry College	2008/2009	Subsidized Direct Loan	\$6,937
47				Newberry College	2009/2010	Subsidized Direct Loan	\$3,576
48				Newberry College	2007/2008	Subsidized Direct Loan	\$4,222
49				Newberry College	2007/2008	Unsubsidized Direct Loan	\$726
50				Newberry College	2008/2009	Subsidized Direct Loan	\$8,458
51				Newberry College	2008/2009	Subsidized Direct Loan	\$6,524
52				Newberry College	2008/2009	Unsubsidized Direct Loan	\$10,784
53				Newberry College	2009/2010	Subsidized Direct Loan	\$3,476
54				Newberry College	2009/2010	Unsubsidized Direct Loan	\$6,582
55				Newberry College	2007/2008	Subsidized Direct Loan	\$3,844
56				Newberry College	2007/2008	Unsubsidized Direct Loan	\$1,104
57				Newberry College	2008/2009	Subsidized Direct Loan	\$8,458
58				Newberry College	2008/2009	Unsubsidized Direct Loan	\$8,840
59				Newberry College	2009/2010	Subsidized Direct Loan	\$4,229
60				Newberry College	2009/2010	Unsubsidized Direct Loan	\$4,646
61				Newberry College	2007/2008	Subsidized Direct Loan	\$1,047
62				Newberry College	2007/2008	Unsubsidized Direct Loan	\$4,027
63				Newberry College	2008/2009	Subsidized Direct Loan	\$8,460
64				Newberry College	2008/2009	Unsubsidized Direct Loan	\$11,942
65				Newberry College	2009/2010	Subsidized Direct Loan	\$988
66				Newberry College	2009/2010	Unsubsidized Direct Loan	\$9,071
67				Newberry College	2007/2008	Subsidized Direct Loan	\$3,019
68				Newberry College	2007/2008	Unsubsidized Direct Loan	\$1,927
69				Newberry College	2008/2009	Subsidized Direct Loan	\$8,458
70				Newberry College	2007/2008	Subsidized Direct Loan	\$3,890
71				Newberry College	2008/2009	Subsidized Direct Loan	\$8,458
72				Newberry College	2008/2009	Unsubsidized Direct Loan	\$1,665
73				Newberry College	2009/2010	Subsidized Direct Loan	\$4,229
74				Professional Dev	2010/2011	Subsidized Direct Loan	\$8,458
75				Professional Dev	2010/2011	Unsubsidized Direct Loan	\$11,643
76				Professional Dev	2010/2011	Subsidized Direct Loan	\$2,971
77				Professional Dev	2010/2011	Unsubsidized Direct Loan	\$12,603
78				Professional Dev	2010/2011	Subsidized Direct Loan	\$8,458
79				Professional Dev	2010/2011	Unsubsidized Direct Loan	\$11,941
80				Professional Dev	2010/2011	Subsidized Direct Loan	\$3,505
81				Professional Dev	2010/2011	Unsubsidized Direct Loan	\$1,893
82				South Mecklenburg	2009/2010	Subsidized Direct Loan	\$1,677
83				South Mecklenburg	2009/2010	Unsubsidized Direct Loan	\$3,749

Winthrop University
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Appendix B: Institution's Written Response to the Program Review Report – June 7, 2012

Accounting Document – Prior Year Monetary Recovery (AD-PYMR)

Institution: Winthrop University

City, State: Rock Hill, South Carolina

PRCN: 2-2-04-27902

TIN: 576001204

DUNS: 071055214

Reviewer: Angelique James

Region: Atlanta

Date: October 12, 2012

Programs	Type	Amount	Funding Code	Object Class
Federal Pell Grant (Closed AY)	Principal		3220RNOYR	69017
	Interest		1435RNOYR	64020
FSEOG	Principal		3220RNOYR	69017
	Interest		1435RNOYR	64020
FWS	Principal		3220RNOYR	69017
	Interest		1435RNOYR	64020
ACG	Principal		3220RNOYR	69017
	Interest		1435RNOYR	64020
National SMART	Principal		3220RNOYR	69017
	Interest		1435RNOYR	64020
TOTAL (Pell-Closed AY, FSEOG, FWS, ACG, National SMART)	Principal		3220RNOYR	69017
	Interest		1435RNOYR	64020
Direct Loan and Direct Loan EAL	Principal	55,826.67	4253XNOYR	53020 or 53010
	Interest	0	4253XNOYR	53040
FFEL and FFEL EAL	Interest/ SA/EAL		4251XNOYR	53020
Federal Perkins	Principal		2915RNOYR	53054

		Amount			G5 Program Award # *
Negative Cash Balance (Pell, FWS, FSEOG, ACG, SMART, TEACH)	Principal		3875FNOYR	69020	
	Interest		1435RNOYR	64020	Sent to Treasury
DL Unsubstantiated / Excess Cash	Principal		3875FNOYR	69020	
	Interest		4253XNOYR	53040	Sent to DL Fund

Comments:

* Example of G5 Award # (P063P104306, first 5 digits = program, next 2 digits = award year, next 4 digits = code unique to school)

See FPRD Distribution Form for distribution information for this form and related program review documents.



WINTHROP

UNIVERSITY

Office of Financial Aid

August 2, 2012

Angelique James
U.S. Department of Education
Federal Student Aid, Atlanta School Participation Team
61 Forsyth Street SW, Suite 18T40
Atlanta, GA 30303-3104

Re: Winthrop University 003456
Program Review Report Response
PRCN: 2012-2-04-27902

Dear Ms. James:

On June 7, 2012, Winthrop University received a Program Review Report regarding the March 23, 2012 – April 5, 2012 program review. Enclosed as Item 1 is the University's response to the following findings of the review:

- Ineligible Locations
- Unreported Additional Locations
- Unofficial Withdrawal Policy Not Adequately Developed

Please do not hesitate to contact us should you need any further information or clarifications.

Sincerely,

(b)(6); (b)(7)(C); (b)(7)(C)

Michelle K. Hare
Interim Director of Financial Aid
803-323-4027
hare@winthrop.edu

Anthony J. DiGiorgio
President

Enclosures: Item 1 – Winthrop University Response to Program Review Report
Item 2 – Response from Dr. Debra Boyd
Item 3 – Revised *Request for Approval of Off-Site* Form
Item 4 – Unofficial Withdrawal Policy (WU Policy Repository)
Item 5 – Revisions to Undergraduate Student Handbook
Item 6 – Revisions to Graduate Student Catalog
Item 8 – USB Flash drive containing withdrawal spreadsheet and supporting documentation

Item 1 – Winthrop University's Response to Program Review Report

Finding 1: Ineligible Locations

Response: Winthrop University acknowledges that, as a fully certified eligible institution, we failed to report the establishment of accredited and licensed additional locations at which we offered 50% or more of a Title IV eligible program to the Department within 10 days of the establishment since the University elected to disburse Title IV aid to students enrolled at those locations.

As previously reported to the Department, we acknowledged that an internal communication problem existed regarding off-site locations. Since becoming aware of the problems, administrators have met on numerous occasions to work through the issues that resulted in this finding. An email from Dr. Debra Boyd, Vice President for Academic Affairs, summarizing the most recent meetings regarding off-site compliance is attached as Item 2. Dr. Boyd has also revised the *Request for Approval of Off-Site* form which is attached as Item 3. This new form will play an integral role in the facilitation of the interdepartmental communication such that all offices involved in off-site locations are adequately notified in the planning stages of new off-site locations. An electronic version of the form will be developed in the near future, thereby effecting an efficient flow of requests and approvals for off-site locations.

In addition to increased awareness and improved internal communication, the financial aid office has developed two safeguards to make certain that students attending off-site locations do not receive disbursements of Title IV financial aid if they are attending a location pending approval. First, the Office of Records and Registration is coding all off-site cohort students in the Banner Student system. The financial aid office then electronically creates a requirement in the Banner Financial Aid system to prevent financial aid disbursement. This requirement must be manually cleared which allows the financial aid office to review the location where the student is attending classes and take appropriate action. Second, the financial aid office receives a weekly report that lists all financial aid recipients scheduled for an off-site class. This report is reviewed to verify that no student was omitted from the first safeguard measure.

We are confident that future additional locations will be established in the timeframes required by local, state, and federal agencies, including the guidance contained in the *Federal Student Aid Handbook* and regulations 34 CFR 600.20, 600.21, and 600.32. We are also confident that our new processes will prevent students from receiving disbursements of Federal Title IV funds at unapproved or unreported locations in the future.

In 2010-2011, the students who received disbursement of Title IV funds at unapproved locations only represented 0.5% of all students who received federal financial aid while attending Winthrop University.

Required Action: Winthrop University understands that the amount of our liability for this finding will be noted in the Final Program Review Determination (FPRD).

Finding 2: Unreported Additional Locations

Response: Winthrop University acknowledges that, as a fully certified eligible institution, we failed to report the establishment of accredited and licensed additional locations at which we offered 50% or more of a Title IV eligible program to the Department within 10 days of the establishment since the University elected to disburse Title IV aid to students enrolled at those locations. As with finding 1, we are aware that internal communication problems led to the noncompliance reported in this finding.

The same action taken as a result of finding 1 will also ensure that the issues resulting from a breakdown in communication have been resolved and will not occur in the future.

Required Action: Winthrop University understands that this finding will be referred to the Department's Administrative Actions and Appeals Service Group (AAASG).

Finding 3: Unofficial Withdrawal Policy Not Adequately Developed

Response: Winthrop University acknowledges that a written procedure describing unofficial withdrawals was not contained in the WU Policy Repository or student handbook. However, Winthrop University does have an unofficial withdrawal policy that has been followed after each grading period since DCL GEN-04-03 was published. The policy is in compliance with DCL GEN-04-03, 34 CFR 668.22, and all other return requirements established since DCL GEN-04-03 was first published.

Required Action: Winthrop University has now published its official and unofficial withdrawal policy on the Winthrop Policy Repository. The policy is enclosed as Item 4. It may be accessed online at <http://www2.winthrop.edu/public/policy/fullpolicy.aspx?pid=292>.

Michelle Hare, Interim Director of Financial Aid, has submitted a request for changes to the Undergraduate Student Handbook. Reportedly, the handbook will be updated in the new publication and is to be available by mid-August 2012. A copy of the submitted student handbook revisions is enclosed as Item 5. Revisions have also been submitted for the Graduate Catalog. A copy of the revisions made to the online graduate catalog is enclosed as Item 6.

In addition, Winthrop University has updated the financial aid website to contain a link to the withdrawal policy contained on the WU Policy Repository.

At the request of the Department, Winthrop University conducted a full file review of all 2010-2011 and 2011-2012 Title IV recipients that met Winthrop's withdrawal criteria. An Excel spreadsheet containing the results will be provided to Angelique James by e-mail. A USB flash drive containing the spreadsheet will also be sent by overnight FedEx to Angelique James. The required documentation (R2T4 calculation, account ledger, and academic transcript) for each student listed on the spreadsheet has been scanned and will be supplied on the USB flash drive.

Note: Manual calculations were performed for students whose withdrawal date was beyond 60% of the payment period. The manual calculation included the number of days in the payment period the student was enrolled divided by the number of days in the payment period. If the manual calculation revealed a percentage that exceeded 60.00%, the student was deemed to have earned 100% of his federal aid and no additional calculation was completed. Therefore, the packet of documentation does not include a CPS R2T4 calculation printout for students who withdrew beyond 60% of the payment period.

If any further information is needed for the review of withdrawals, please do not hesitate to contact Michelle Hare, Interim Director of Financial Aid, harem@winthrop.edu, 803-323-4027.

Item 2- Response from Dr. Debra Boyd

From: Boyd, Debra C.
Sent: Tuesday, July 31, 2012 1:16 PM
To: Hare, Michelle
Subject: Off-site Location Compliance

Michelle,

As requested, I have continued my investigation of the issues related to off-site locations for our programs. Meetings have been held with Winthrop's SACS and CHE liaisons, the Dean of the College of Education (COE), the coordinator for the COE Educational Leadership program, the COE graduate director, the Vice President for Finance and Business, the Associate Vice President for Finance and Business, and Financial Aid representatives. The subject of our meetings was the issue of off-campus sites for the Educational Leadership program in particular, which seems to be where our problems are, and off-campus sites in general. Our goal for all these meetings was to make absolutely sure that everyone understands the seriousness of the regulations related to off-campus sites for programs.

In addition to the rules and regulations related to site approval from the SC Commission on Higher Education, the University of North Carolina General Administration, the Southern Association of Colleges and Schools, and the US Department of Education, the following items were made very clear:

- **No cohorts will meet and no sites will be used until they are approved by all internal and external regulatory bodies.** The new (and now revised) approval form must be used, and programs cannot move forward with the cohort and/or site until notified by the Office of Academic Affairs that all approvals have been received. We have updated the form to reflect a more appropriate order of approval and notification. In addition, a member of our office of Accreditation, Accountability, and Academic Services is creating an online application so that we can review the requests more efficiently and effectively, keeping everyone in the loop about the stages of the approval process.
- Programs must request permission for a new site at least 8 months in advance of the anticipated start date and at least 6 months in advance for a new cohort (either on campus or at an already-approved off-campus site).
- Once approval for the cohort and/or site has been received, the program must complete the special course registration form to make sure that the courses are entered into the registration system accurately.
- Staff and administrators understand that we must do everything we can to make sure that the actions of program faculty do not put the institution at risk.
- Until our online application is ready, I will ask the SACS & CHE liaisons, the Vice President and Associate Vice President for Finance & Business, and you (as Financial Aid Director) to meet with me as a group to discuss each request (as I receive it) so that we can make fully informed decisions about each request.

As we implement the new approval system, I would welcome any suggestions you have for ensuring compliance.

Sincerely,

Debra

Debra C. Boyd, PhD
Vice President for Academic Affairs &
Dean of the Faculty
115 Tillman Hall
Winthrop University
Rock Hill, SC 29733
boydd@winthrop.edu
803.323.2220
803.323.4036 (FAX)

Item 3 – Revised Request for Approval of Off-Site Form

Request for Approval of Off-site Location for Course(s) or for Graduate Cohort

1. Program: _____
2. Is this a new cohort? Yes _____ No _____
3. Anticipated start date of new cohort (semester/year, specific date if not at beginning of a term): _____
4. Complete Physical Address of Off-Site Location (include room number, building, street address, city, state, and zip code): _____
5. Is this a new location? Yes _____ No _____ Explain Reason for Selecting New Location: _____
6. School district/s involved: _____
7. School district with which a contract regarding facilities will be needed (include name of contact person): _____
8. Has any contact been made with the school district/s regarding this proposed location or cohort? (Note: No commitment by any program can be made until the location and cohort are fully approved by the university.)
Yes _____ No _____ Comments: _____
9. Requested tuition rate: _____
10. List or attach table identifying other cohorts being delivered by the program, including on-campus, online, and off-campus, with site information and start/end dates for each.

11. Provide a justification for requesting an off-site location and/or cohort. Be thorough in your discussion so that reviewers will have sufficient information to make a decision.

12. Attach any additional documents that will support your request.

Submitted by: _____ Date: _____

APPROVALS & NOTIFICATIONS: Signatures and dates approved required for each level of approval.*

Department/Division	Signature/Comments	Date Approved
Requesting Department Chair		
College Graduate Director (if applicable)		
College Dean		
Vice President for Academic Affairs		
Graduate School Dean		
Vice President for Finance & Business		
Financial Aid Director	DOE Approval Required: Yes <input type="checkbox"/> No <input type="checkbox"/>	
CHE Liaison, Office of the Vice President for Academic Affairs	CHE Approval Required: Yes <input type="checkbox"/> No <input type="checkbox"/> CHE Notification Required: Yes <input type="checkbox"/> No <input type="checkbox"/>	
SACS Liaison; Office of Accountability, Assessment, & Academic Services	SACS Approval Required: Yes <input type="checkbox"/> No <input type="checkbox"/> SACS Notification Required: Yes <input type="checkbox"/> No <input type="checkbox"/>	
Vice President for Academic Affairs		

**Notification of final approval will be transmitted to all parties by the Office of the Vice President for Academic Affairs. A Special Course Registration form must be submitted only after final approval for off-site location or cohort has been received by the requesting department.*

Item 4 – Unofficial Withdrawal Policy (WU Policy Repository)

Business and Finance

Policy Title

Withdrawals (Recipients of Federal Title IV federal aid)

Policy Description

Federal regulations provide that students must earn their federal financial aid award amount(s). Federal financial aid includes: Pell Grant, Supplemental Opportunity Grant (SEOG), Direct Loan (Subsidized and Unsubsidized), Perkins Loan, Parent PLUS Loan, Graduate PLUS Loan, and TEACH Grant. Winthrop University awards and disburses a student's financial aid at the start of each term (period). However, a student is not considered to have "earned" that entire financial aid award unless the student completes more than 60 percent of the period. The financial aid office is required to perform a Return of Title IV calculation for students who do not complete the entire period as a result of an Official Withdrawal or an Unofficial Withdrawal.

Official Withdrawals

An official withdrawal occurs when a student withdraws from all courses at Winthrop University. Students should review the Withdrawal Form listed on the Office of Records & Registration's Web site.

A student's withdrawal date is determined based upon when a student began the official withdrawal process or provided official notification to Winthrop University of his/her intent to withdraw. If a student did not begin the official withdrawal process (e.g. emergency medical withdrawal), Winthrop University would use the date that it became aware that the student ceased attendance. Winthrop University will try to determine the student's last date of attendance in an academically-related activity in circumstances where Winthrop University believes the student stopped attending classes before the withdrawal process began.

Academically related activities include but are not limited to: physically attending a class where there is an opportunity for direct interaction between the instructor and students; submitting an academic assignment; taking an exam, an interactive tutorial or computer-assisted instruction; attending a study group that is assigned by the school; participating in an online discussion about academic matters; or, initiating contact with a faculty member to ask a question about the academic subject studied in the course.

Unofficial Withdrawals

If a student who began attendance and has not officially withdrawn, fails to earn a passing grade in at least one course offered over an entire period, Winthrop University must assume, for recipients of federal Title IV aid that the student has unofficially withdrawn unless it can be documented that the student completed the entire period.

Winthrop University will try to determine the student's last date of attendance in an academically-related activity. If a student's last date of attendance is unable to be determined, Winthrop University will use the midpoint of the period.

Policy Procedures

Official Withdrawals - The financial aid office is notified by the Office of Records and Registration when a student officially withdraws from Winthrop University.

Unofficial Withdrawals - At the end of each grading period, the financial aid office generates a report to determine which students are considered to have unofficially withdrawn. The financial aid office contacts each student's professors to determine the last date of attendance. If a student's last date of attendance is unable to be determined, the financial aid office will use the midpoint of the period. The financial aid office notifies students who appear to have attended less than 60% of the payment period. Students are given approximately two weeks to provide proof of an academically-related activity later in the semester before the financial aid office proceeds with the Return of Title IV calculation.

The financial aid office uses the Return of Title IV statutory formula developed by the Department of Education for both official and unofficial withdrawals. The formula determines the percentage of the period completed by the student by calculating the number of calendar days completed in the period divided by the total number of calendar days in the period. Scheduled breaks of at least five consecutive days (e.g. spring break) are excluded from this calculation. The percentage of the period completed is then applied to a student's federal financial aid to determine how much of the financial aid was "earned." If the amount of financial aid "earned" is less than the amount of financial aid the student received, the "unearned" funds must be returned no later than 45 days after the date Winthrop University determined the student withdrew. For example, if a student has attended 20% of the period, it will be determined that the student has "earned" 20% of his/her federal financial aid and the other 80% percent will be returned as "unearned." Federal Title IV financial that is "unearned" is returned in the following order: Unsubsidized Direct Loan, Subsidized Direct Loan, Perkins Loan, Graduate PLUS Loan, Parent PLUS Loan, Pell Grant, FSEOG, and TEACH Grant. In rare circumstances, if the amount of financial aid received by the student is less than the amount the student "earned," the student may be eligible to receive a post-withdrawal disbursement of the "earned" aid that the student was eligible for but did not receive.

Any fee adjustments provided by Winthrop University as a result of a student's withdrawal do not impact the Return of Title IV statutory formula. In cases where the fee adjustment results in a refund balance, Winthrop University will use the refund to reduce a student's loan debt whenever possible. Refer to [Fee Adjustments for Courses Dropped/Withdrawals](#) for further information.

Internal Control Considerations

Policy Links

<http://www.winthrop.edu/uploadedFiles/cashiers/FeeAdjustmentsCourseDroppedWithdrawal.pdf>
<http://www.winthrop.edu/recandreg/default.aspx?id=7051>
<http://www.winthrop.edu/recandreg/default.aspx?id=7051>

Policy Author(s)

Michelle Hare, Interim Director of Financial Aid

Effective Date

None Specified

Item 5 – Revisions to Undergraduate Student Handbook

Federal regulations provide that students must earn their federal financial aid award amount(s). Federal financial aid includes: Pell Grant, Supplemental Opportunity Grant (SEOG), Direct Loan (Subsidized and Unsubsidized), Perkins Loan, Parent PLUS Loan, Graduate PLUS Loan, and TEACH Grant. Winthrop University awards and disburses a student's financial aid at the start of each term (period). However, a student is not considered to have "earned" that entire financial aid award unless the student completes more than 60 percent of the period. The financial aid office is required to perform a Return of Title IV calculation for students who do not complete the entire period as a result of an *Official Withdrawal* or an *Unofficial Withdrawal*. An official withdrawal occurs when a student withdraws from all courses at Winthrop University. An unofficial withdrawal occurs if a student who began attendance and has not officially withdrawn, fails to earn a passing grade in at least one course offered over an entire period. More information regarding withdrawals (official and unofficial) and the effect on federal, state, and institutional financial aid is available at www.winthrop.edu/finaid. Click "Applying for Aid," "Financial Aid Policies," and "Withdrawals."

Item 6 – Revisions to Graduate Student Catalog

<http://www.winthrop.edu/graduateschool/default.aspx?id=25164>

Withdrawals

Federal regulations provide that students must earn their federal financial aid award amount(s). Federal financial aid includes: Pell Grant, Supplemental Opportunity Grant (SEOG), Direct Loan (Subsidized and Unsubsidized), Perkins Loan, Parent PLUS Loan, Graduate PLUS Loan, and TEACH Grant. Winthrop University awards and disburses a student's financial aid at the start of each term (period). However, a student is not considered to have "earned" that entire financial aid award unless the student completes more than 60 percent of the period. The financial aid office is required to perform a Return of Title IV calculation for students who do not complete the entire period as a result of an *Official Withdrawal* or an *Unofficial Withdrawal*. An official withdrawal occurs when a student withdraws from all courses at Winthrop University. An unofficial withdrawal occurs if a student who began attendance and has not officially withdrawn, fails to earn a passing grade in at least one course offered over an entire period. More information regarding withdrawals (official and unofficial) and the effect on federal, state, and institutional financial aid is available on the Financial Aid Policies webpage, by clicking the "Withdrawals" heading.

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Appendix C: Estimated Actual Loss Calculation Award Year 2007-2008

Appendix C: Estimated Actual Loss Worksheet

Name of Institution

Winthrop University

1. **Select** Type
2. **Select** Award Year
3. **Enter** Cohort Default Rate
and/or Perkins Default Rate

Four-Year
2007-08
5.1%

4. **Enter** Ineligible Principal

Ineligible Principal

Estimated Defaults

- a. DL Subsidized
- b. DL Unsubsidized
- c. FFEL Subsidized
- d. FFEL Unsubsidized
- e. PLUS (DL, FFEL)
- f. Perkins

\$ 24,252.00
\$ 7,784.00

\$ 1,236.85
\$ 396.98
\$ -
\$ -
\$ -
\$ -

Disb to Repayment
Repayment to Default
Repayment to PIF

969
619
1712

Estimated Actual Loss Interest and Special Allowance Breakdown

Disb to Repayment

DL Subsidized
FFEL Sub
FFEL Unsub

\$ 3,861.04
\$ -
\$ -

Repayment to Default

FFEL Subsidized
FFEL Unsub

\$ -
\$ -

Repayment to PIF

FFEL Subsidized
FFEL Unsub

\$ -
\$ -
\$ -

Perkins Interest

\$ -

Totals - Estimated Actual Loss By Program (Including Interest and Special Allowance)

DL Subsidized
DL Unsubsidized
FFEL Subsidized
FFEL Unsub
PLUS (DL, FFEL)
Perkins

\$ 5,097.89
\$ 396.98
\$ -
\$ -
\$ -
\$ -

Total Estimated Actual Loss Liability

\$ 5,494.88

The "Total Estimated Liability" shown on this worksheet is the Department's estimate of the "actual loss" to the Department that has or will result from the ineligible FFEL and Direct Loan program loans made by your institution. Estimated defaults are calculated using the most appropriate cohort default rate published by the Department.

The Department's loss for excess subsidies paid to lenders for ineligible loans is estimated by using the average number of days from:

- disbursement to entering repayment,
- repayment to default, and
- repayment to paid-in-full.

The averages used are from historical information supplied to the Department from all guarantee agencies.

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Appendix D: Estimated Actual Loss Calculation Award Year 2008-2009

Appendix D: Estimated Actual Loss Worksheet

Name of Institution Winthrop University

1. Select Type	Four-Year
2. Select Award Year	2008-09
3. Enter Cohort Default Rate and/or Perkins Default Rate	5.1%

4. Enter Ineligible Principal	Ineligible Principal	Estimated Defaults
a. DL Subsidized	\$ 66,644.00	\$ 3,398.84
b. DL Unsubsidized	\$ 56,499.00	\$ 2,881.45
c. FFEL Subsidized		\$ -
d. FFEL Unsubsidized		\$ -
e. PLUS (DL, FFEL)		\$ -
f. Perkins		\$ -

Disb to Repayment	969
Repayment to Default	619
Repayment to PIF	1712

Estimated Actual Loss Interest and Special Allowance Breakdown	Disb to Repayment	
	DL Subsidized	\$ 9,254.00
	FFEL Sub	\$ -
	FFEL Unsub	\$ -
	Repayment to Default	
	FFEL Subsidized	\$ -
	FFEL Unsub	\$ -
	Repayment to PIF	
	FFEL Subsidized	\$ -
	FFEL Unsub	\$ -
	Perkins Interest	\$ -

Totals - Estimated Actual Loss By Program (Including Interest and Special Allowance)	DL Subsidized	\$ 12,652.84
	DL Unsubsidized	\$ 2,881.45
	FFEL Subsidized	\$ -
	FFEL Unsub	\$ -
	PLUS (DL, FFEL)	\$ -
	Perkins	\$ -

Total Estimated Actual Loss Liability **\$ 15,534.29**

The "Total Estimated Liability" shown on this worksheet is the Department's estimate of the "actual loss" to the Department that has or will result from the ineligible FFEL and Direct Loan program loans made by your institution. Estimated defaults are calculated using the most appropriate cohort default rate published by the Department.

The Department's loss for excess subsidies paid to lenders for ineligible loans is estimated by using the average number of days from:

- disbursement to entering repayment,
- repayment to default, and
- repayment to paid-in-full.

The averages used are from historical information supplied to the Department from all guarantee agencies.

Appendix E: Estimated Actual Loss Calculation Award Year 2009-2010

Appendix E: Estimated Actual Loss Worksheet

Name of Institution Winthrop University

1. Select Type	Four-Year
2. Select Award Year	2009-10
3. Enter Cohort Default Rate and/or Perkins Default Rate	5.1%

4. Enter Ineligible Principal	Ineligible Principal	Estimated Defaults
a. DL Subsidized	\$ 35,736.00	\$ 1,822.54
b. DL Unsubsidized	\$ 44,362.00	\$ 2,262.46
c. FFEL Subsidized		\$ -
d. FFEL Unsubsidized		\$ -
e. PLUS (DL, FFEL)		\$ -
f. Perkins		\$ -

Disb to Repayment	969
Repayment to Default	619
Repayment to PIF	1712

Estimated Actual Loss Interest and Special Allowance Breakdown	Disb to Repayment	
	DL Subsidized	\$ 4,104.43
	FFEL Sub	\$ -
	FFEL Unsub	\$ -
	Repayment to Default	
	FFEL Subsidized	\$ -
	FFEL Unsub	\$ -
	Repayment to PIF	
	FFEL Subsidized	\$ -
	FFEL Unsub	\$ -
	Perkins Interest	\$ -

Totals - Estimated Actual Loss By Program (Including Interest and Special Allowance)		
	DL Subsidized	\$ 5,926.97
	DL Unsubsidized	\$ 2,262.46
	FFEL Subsidized	\$ -
	FFEL Unsub	\$ -
	PLUS (DL, FFEL)	\$ -
	Perkins	\$ -

Total Estimated Actual Loss Liability	\$ 8,189.43
----------------------------------------------	--------------------

The "Total Estimated Liability" shown on this worksheet is the Department's estimate of the "actual loss" to the Department that has or will result from the ineligible FFEL and Direct Loan program loans made by your institution. Estimated defaults are calculated using the most appropriate cohort default rate published by the Department.

The Department's loss for excess subsidies paid to lenders for ineligible loans is estimated by using the average number of days from:

- disbursement to entering repayment,
- repayment to default, and
- repayment to paid-in-full.

The averages used are from historical information supplied to the Department from all guarantee agencies.

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Appendix F: Estimated Actual Loss Calculation Award Year 2010-2011

Appendix F: Estimated Actual Loss Worksheet

Name of Institution

Winthrop University

1. **Select** Type
2. **Select** Award Year
3. **Enter** Cohort Default Rate
and/or Perkins Default Rate

Four-Year
2010-11
5.1%

4. **Enter** Ineligible Principal

- a. DL Subsidized
- b. DL Unsubsidized
- c. FFEL Subsidized
- d. FFEL Unsubsidized
- e. PLUS (DL, FFEL)
- f. Perkins

Ineligible Principal

\$	136,825.00
\$	124,508.00

Estimated Defaults

\$	6,978.08
\$	6,349.91
\$	-
\$	-
\$	-
\$	-

Disb to Repayment
Repayment to Default
Repayment to PIF

969
619
1712

**Estimated Actual Loss
Interest and Special
Allowance Breakdown**

Disb to Repayment

DL Subsidized
FFEL Sub
FFEL Unsub

\$	13,280.09
\$	-
\$	-

Repayment to Default

FFEL Subsidized
FFEL Unsub

\$	-
\$	-

Repayment to PIF

FFEL Subsidized
FFEL Unsub

\$	-
\$	-
\$	-

Perkins Interest

\$	-
----	---

**Totals - Estimated Actual
Loss By Program
(Including Interest and
Special Allowance)**

DL Subsidized
DL Unsubsidized
FFEL Subsidized
FFEL Unsub
PLUS (DL, FFEL)
Perkins

\$	20,258.16
\$	6,349.91
\$	-
\$	-
\$	-
\$	-

Total Estimated Actual Loss Liability

\$ 26,608.07

The "Total Estimated Liability" shown on this worksheet is the Department's estimate of the "actual loss" to the Department that has or will result from the ineligible FFEL and Direct Loan program loans made by your institution. Estimated defaults are calculated using the most appropriate cohort default rate published by the Department.

The Department's loss for excess subsidies paid to lenders for ineligible loans is estimated by using the average number of days from:

- disbursement to entering repayment,
- repayment to default, and
- repayment to paid-in-full.

The averages used are from historical information supplied to the Department from all guarantee agencies.

Appendix G: Estimated Actual Loss Calculation Formula

The Estimated Actual Loss Formula (EALF) is used for only certain types of findings on ineligible FFEL and Direct Loan liabilities. The EALF estimates (1) the principal amount that has or will default; and (2) the interest and special allowance on the entire ineligible loan amount.

The EALF uses an institution's applicable cohort default rate (CDR) to estimate the amount of defaults from the ineligible principal amount. This is usually the institution's latest published CDR. Draft CDRs are not used unless there is no prior CDR.

Example:

Ineligible Principal Loan Amount	\$100,000
Cohort Default Rate	10.0%
Estimated Default Amount Due	\$ 10,000

The EALF calculates interest and special allowance (SA), where applicable, on the entire amount of ineligible loan principal. The number of days used to calculate interest and special allowance is based on average historical data for various time periods for different types of schools.

Period	School Type	One-Year	Two-Year	Four-Year	Rate Types
Disbursement to Repayment		584	774	969	Interest & SA
Repayment to Default		418	498	619	SA
Repayment to Paid In Full		1659	1580	1712	SA

The EALF uses the actual interest rates in effect when the ineligible loans were disbursed and an annualized average of the quarterly special allowance rates in effect. The EALF divides the number of days in each time period so that changes in interest and special allowance rates are considered. The EALF also assumes that the ineligible loans were made in two disbursements after a 30-day delay.

Example for the Disbursement to Repayment Period for a Two-Year Institution (2004-05)

Variable Rate Ineligible Loans: \$40,000 subsidized and \$60,000 unsubsidized

Interest Rates: 04-05 (2.77), 05-06 (4.70), 06-07 (6.54)

SA Rates: 04-05 (1.45), 05-06 (1.55), 06-07 (0.53)

Subsidized Loan Amount (Interest and Special Allowance)

$$\begin{aligned}
& \$40,000/2 \times (451 \times (.0422/365)) \\
& + \$40,000/2 \times (730 \times (.0625/365)) \\
& + \$40,000/2 \times (367 \times (.0707/365)) = \$4,964.61
\end{aligned}$$

Unsubsidized Loan Amount (Special Allowance Only)

$$\begin{aligned}
& \$60,000/2 \times (451 \times (.0145/365)) \\
& + \$60,000/2 \times (730 \times (.0155/365)) \\
& + \$60,000/2 \times (367 \times (.0053/365)) = \$1,627.36
\end{aligned}$$

NOTE: The number of days of 774 for this time period is doubled to 1548 (451+730+367) because the principal amount is divided by two.

Similar calculations are made for the other two periods. The total liability is the sum of the default amount with the interest and special allowance calculations for all three periods.



FYI

June 7, 2012

Anthony DiGiorgio, President
Winthrop University
701 Oakland Avenue
Rock Hill, SC 29733

United Parcel Service
Tracking Number #1ZA5467Y0196024815

RE: **Program Review Report**
OPE ID: 003456
PRCN: 2012-2-04-27902

Dear Dr. DiGiorgio:

From March 23, 2012 through April 5, 2012, Angelique James conducted a review of Winthrop University's (WU's) administration of the programs authorized pursuant to Title IV of the Higher Education Act of 1965, as amended, 20 U.S.C. §§ 1070 et seq. (Title IV, HEA programs). The findings of that review are presented in the enclosed report.


Findings of noncompliance are referenced to the applicable statutes and regulations and specify the action required to comply with the statute and regulations. Please review the report and respond to each finding, indicating the corrective actions taken by WU. The response should include a brief, written narrative for each finding that clearly states WU's position regarding the finding and the corrective action taken to resolve the finding. Separate from the written narrative, WU must provide supporting documentation as required in each finding.

Please note that pursuant to HEA section 498A(b), the Department is required to:

- (1) provide to the institution an adequate opportunity to review and respond to any preliminary program review report¹ and relevant materials related to the report before any final program review report is issued;
- (2) review and take into consideration an institution's response in any final program review report or audit determination, and include in the report or determination –
 - a. A written statement addressing the institution's response;
 - b. A written statement of the basis for such report or determination; and
 - c. A copy of the institution's response.

¹ A "preliminary" program review report is the program review report. The Department's final program review report is the Final Program Review Determination (FPRD).

Federal Student Aid, School Participation Division
61 Forsyth Street SW, Room 18T40, Atlanta, GA 30303
www.FederalStudentAid.ed.gov

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The Department considers the institution's response to be the written narrative (to include e-mail communication). Any supporting documentation submitted with the institution's written response will not be attached to the FPRD. However, it will be retained and available for inspection by WU upon request. Copies of the program review report, the institution's response, and any supporting documentation may be subject to release under the Freedom of Information Act (FOIA) and can be provided to other oversight entities after the FPRD is issued.

The institution's response should be sent directly to Angelique James of this office within 60 calendar days of receipt of this letter.

Protection of Personally Identifiable Information (PII):

PII is any information about an individual which can be used to distinguish or trace an individual's identity (some examples are name, social security number, date and place of birth). The loss of PII can result in substantial harm, embarrassment, and inconvenience to individuals and may lead to identity theft or other fraudulent use of the information. To protect PII, the findings in the attached report do not contain any student PII. Instead, each finding references students only by a student number created by Federal Student Aid. The student numbers were assigned in Appendix A, Student Sample. Please see the enclosure Protection of Personally Identifiable Information for instructions regarding submission to the Department of required data / documents containing PII.

Record Retention:

Program records relating to the period covered by the program review must be retained until the later of: resolution of the loans, claims or expenditures questioned in the program review; or the end of the retention period otherwise applicable to the record under 34 C.F.R. § 668.24(e).

Please refer to the above Program Review Control Number (PRCN) in all correspondence relating to this report. If you have any questions concerning this report, please contact Angelique James at 404-974-9441 or angelique.james@ed.gov.

Sincerely,

(b)(6); (b)(7)(C); (b)(7)(C)

Chris Miller
Compliance Manager

cc: Michelle Hare, Financial Aid Administrator

Enclosure:
Protection of Personally Identifiable Information

PROTECTION OF PERSONALLY IDENTIFIABLE INFORMATION

Personally Identifiable Information (PII) being submitted to the Department must be protected. PII is any information about an individual which can be used to distinguish or trace an individual's identity (some examples are name, social security number, date and place of birth).

PII being submitted electronically or on media (e.g., CD-ROM, floppy disk, DVD) must be encrypted. The data must be submitted in a .zip file encrypted with Advanced Encryption Standard (AES) encryption (256-bit is preferred). The Department uses WinZip. However, files created with other encryption software are also acceptable, provided that they are compatible with WinZip (Version 9.0) and are encrypted with AES encryption. Zipped files using WinZip must be saved as Legacy compression (Zip 2.0 compatible).

The Department must receive an access password to view the encrypted information. The password must be e-mailed separately from the encrypted data. The password must be 12 characters in length and use three of the following: upper case letter, lower case letter, number, special character. A manifest must be included with the e-mail that lists the types of files being sent (a copy of the manifest must be retained by the sender).

Hard copy files and media containing PII must be:

- sent via a shipping method that can be tracked with signature required upon delivery
- double packaged in packaging that is approved by the shipping agent (FedEx, DHL, UPS, USPS)
- labeled with both the "To" and "From" addresses on both the inner and outer packages
- identified by a manifest included in the inner package that lists the types of files in the shipment (a copy of the manifest must be retained by the sender).

PII data cannot be sent via fax.

Prepared for

Winthrop University



START HERE
GO FURTHER
FEDERAL STUDENT AID

OPE ID 003456

PRCN 2012-2-04-27902

Prepared by

U.S. Department of Education

Federal Student Aid

School Participation Team - Atlanta

Program Review Report

June 7, 2012

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A. Institutional Information

Winthrop University
701 Oakland Avenue
Rock Hill, SC 29733 0001

Type: Public

Highest Level of Offering: Master's Degree or Doctor's Degree

Accrediting Agency: Southern Association of Colleges and Schools Commission on Colleges

Current Undergraduate Student Enrollment: 4,859 (2011/2012)

Current Graduate Student Enrollment: 1,054 (2011/2012)

% of Undergraduate Students Receiving Title IV: 70.32% (2011/2012)

% of Graduate Students Receiving Title IV: 45.54% (2011/2012)

Title IV Participation:

2010-2011 Award Year

Federal Pell Grant Program (Pell)	\$8,773,227
Federal Perkins Loan Program (Perkins)	\$397,000
Federal Supplemental Education Opportunity Grant (SEOG)	\$236,476
Federal Work Study (FWS)	\$268,909
William D. Ford Direct Loan Program (Direct Loan)	\$37,071,428
Academic Competitiveness Grant (ACG)	\$432,063
National Science and Mathematics Access to Retain Talent Grant (SMART)	\$224,683
Teacher Education Assistance for College and Higher Education Grant (TEACH)	\$833,705

Default Rate FFEL/DL:	2009	5.1%
	2008	3.6%
	2007	4.0%

Default Rate Perkins:	2010	15.1%
	2009	9.9%
	2008	9.9%

B. Scope of Review

The U.S. Department of Education (the Department) conducted a program review at Winthrop University (WU) from March 23, 2012 to April 5, 2012. The review was conducted by Angelique James.

The focus of the review was unreported locations. The review consisted of an examination of WU's additional locations at which the institution offered 50% or more of Title IV eligible educational programs.

A spreadsheet was provided by WU containing a list of students that were identified as receiving Title IV aid at one of WU's additional locations at which the institution offered 50% or more of Title IV eligible educational programs.

Disclaimer:

Although the review was thorough, it cannot be assumed to be all-inclusive. The absence of statements in the report concerning WU's specific practices and procedures must not be construed as acceptance, approval, or endorsement of those specific practices and procedures. Furthermore, it does not relieve WU of its obligation to comply with all of the statutory or regulatory provisions governing the Title IV, HEA programs.

This report reflects initial findings. These findings are not final. The Department will issue its final findings in a subsequent Final Program Review Determination letter.

C. Findings

During the review, several areas of noncompliance were noted. Findings of noncompliance are referenced to the applicable statutes and regulations and specify the actions to be taken by WU to bring operations of the financial aid programs into compliance with the statutes and regulations.

Finding 1. Ineligible Locations

Citation: A fully certified eligible institution is required to report the establishment of an accredited and licensed additional location at which it offers or will offer 50% or more of a Title IV eligible educational program to the Department **within 10 days** of its establishment if the institution wants to disburse Title IV funds to students enrolled at that location. Once the location is reported, the school may disburse funds at that location. If the institution fails to report the location to the Department within the aforementioned timeframe, adverse action may be taken against the institution. See 34 C.F.R. § 600.21(a) and (d).

Noncompliance: WU received Southern Association of Colleges and Schools (SACS) approval for the Great Falls Middle/High School Complex additional location at 411 Sunset Avenue,

Great Falls, SC 29055-1135 on November 24, 2010. In January, 2011, WU began offering 50% or more of a Title IV eligible educational program and also began disbursing Title IV aid to students enrolled at the Great Falls Middle/High School Complex location. However, WU had not received state approval for this location at the time of Title IV disbursement. Also, WU had not reported this location of Great Falls Middle/High School Complex to the Department. WU received state approval for the Great Falls Middle/High School Complex additional location on August 1, 2011. The Department approved this location on December 14, 2011 (Table 1).

In June 2010, WU began offering 50% or more of a Title IV eligible educational program and began disbursing Title IV aid to students enrolled at the Laurens County Higher Education Center location at 663 Medical Ridge Road Clinton, SC 29325-0000. However, WU did not have SACS or state approval before disbursing Title IV funds. In addition, WU had not reported this location of Laurens County Higher Education Center to the Department. WU received SACS approval for the Laurens County Higher Education Center additional location on July 8, 2010. WU received state approval for the Laurens County Higher Education Center on August 1, 2011. The Department approved this location on August 10, 2011. WU ceased disbursing Title IV funds at the Laurens County Higher Education Center location on December 13, 2011 (Table 1).

In June 2008, WU began offering 50% or more of a Title IV eligible educational program and began disbursing Title IV aid to students enrolled at the Newberry College location at 2100 College Street Newberry SC 28210-0000. However, WU did not have SACS or state approval before disbursing Title IV funds. In addition, WU had not reported this location of Newberry College to the Department. WU received SACS approval for the Newberry College additional location on October 12, 2009. WU received state approval for the Newberry College additional location on February 12, 2009. The Department approved this location on August 10, 2011. WU ceased disbursing Title IV funds at the Newberry College location on May 4, 2010 (Table 1).

School officials have stated that the institution is aware that an internal communication problem existed regarding off-site locations. School officials have been working to ensure these problems do not persist in the future due to the severity and implications on federal and state regulations.

Winthrop University OPEID: 003456					
Location	Accreditation Date	State Licensing Date	DOE Approval Date	Initial TIV Disbursement Date	End of TIV Disbursement Date
Great Falls Middle/High School	11/24/2010	8/1/2011	12/14/2011	1/3/2011	Ongoing
Laurens County Higher Education Center	7/8/2010	8/1/2011	8/10/2011	6/14/2010	12/13/2011
Newberry College	10/12/2009	2/12/2009	8/10/2011	6/2/2008	5/4/2010

Table 1

Required Action: Disbursements of Title IV funds to students at unapproved locations are liabilities that must be repaid to the Department. WU's officials stated that all disbursements made to the unapproved locations were Federal Direct Loans. Based on a file review conducted by the institution, WU provided a spreadsheet containing the loan amount, by student of all ineligible loans disbursed at these locations (Appendix A). The Department will not assert a liability for the entire loan amount and require the institution to purchase the loans, but will establish a repayment amount based upon estimated actual or potential loss that the government may incur with respect to ineligible loans. This will reduce the amount of the liabilities owed by the institution. The amount of liabilities will be noted in the Final Program Review Determination (FPRD).

Finding # 2: Unreported Additional Locations

Citation: A fully certified eligible institution is required to report the establishment of an accredited and licensed additional location at which it offers or will offer 50% or more of a Title IV eligible educational program to the Department **within 10 days** of its establishment if the institution wants to disburse Title IV funds to students enrolled at that location. Once the location is reported, the school may disburse funds at that location. If the institution fails to report the location to the Department within the aforementioned timeframe, adverse action may be taken against the institution. See 34 C.F.R. § 600.21(a) and (d).

Noncompliance: WU received SACS approval for the South Mecklenburg additional location at 8900 Park Road Charlotte NC 28210-0000 on October 12, 2009. WU received state approval for the South Mecklenburg additional location on November 15, 2007. On June 2, 2010, WU began offering 50% or more of a Title IV eligible educational program and began disbursing Title IV aid to students enrolled at the South Mecklenburg location. However, WU failed to report this location at South Mecklenburg to the Department. The Department approved this location on August 10, 2011. WU ceased disbursing Title IV funds at the South Mecklenburg location on December 13, 2011 (Table 2).

SACS approved WU's Professional Development Center additional location at 428 West Boulevard Charlotte NC 28203 4408 on September 3, 2008. WU received state approval for the South Mecklenburg additional location on November 15, 2007. On June 2, 2010, WU began offering 50% or more of a Title IV eligible educational program and began disbursing Title IV aid to students enrolled at the Professional Development Center location. WU failed to report this location at Professional Development Center to the Department. According to school officials, the financial aid office was not previously notified of this location. School officials believe that this oversight was due to financial aid being previously reported as being disbursed at the South Mecklenburg additional location at 8900 Park Road Charlotte NC 28210-0000 instead of the Professional Development Center additional location at 428 West Boulevard Charlotte NC 28203 4408 (Table 2).

Winthrop University OPEID: 003456					
Location	Accreditation Date	State Licensing Date	DOE Approval Date	Initial Disbursement Date	End of Disbursement Date
South Mecklenburg High School	10/12/2009	11/15/2007	8/10/2011	6/2/2010	12/13/2011
Professional Development Center	9/3/2008	11/15/2007	TBD	6/2/2010	12/31/2011

Table 2

Required Action: The Department approved WU's additional location at South Mecklenburg at 8900 Park Road Charlotte NC 28210-0000 on August 10, 2011. The Department is in the process of approving WU's additional location at the Professional Development Center additional location at 428 West Boulevard Charlotte NC 28203 4408. However, because WU failed to notify the Department of its South Mecklenburg and Professional Development Center, (where it intended to offer 50% or more of a Title IV eligible educational program for both locations) within 10 days of its establishment, WU will be referred to the Department's Administrative Actions and Appeals Service Group (AAASG) for possible adverse action. An adverse action may include the imposition of a fine, or the limitation, suspension, or termination of the eligibility of the institution pursuant to 34 C.F.R. Part 668, Subpart G. WU will be notified under separate cover if adverse action is taken.

Finding 3. Unofficial Withdrawal Policy Not Adequately Developed

Citation: When a recipient of Title IV grant or loan funds withdraws from a school (officially or unofficially) after beginning attendance, the amount of Title IV funds earned by the student must be determined. R2T4 calculations are based on a statutory formula developed by the Department and must be used on all recipients of FSA funds. The formula is based, in part, on the amount of time a student actually spent in attendance at the school. If the amount disbursed to the student is *greater* than the amount the student earned, unearned funds must be returned no later than 45 days after the date the institution determined that the student withdrew. If the amount disbursed to the student is *less* than the amount the student earned, and for which the student is otherwise eligible, the student may be eligible to receive a post-withdrawal disbursement of the earned aid not received. See 34 § C.F.R. 668.22

With respect to unofficial withdrawals, DCL GEN-04-03 dated November 2004 states that schools must have a procedure for determining whether a Title IV recipient who began attendance during the period actually completed the period, or if the recipient should be treated as a withdrawal. If a student earns a passing grade in one or more of his/her classes during the period for that class, the school can presume that the student completed the course, and thus the period. However, if a student who began attendance and did not officially withdraw fails to earn a passing grade in at least one course offered over an entire period, the school *must* assume, for

Title IV purposes, that the student has unofficially withdrawn (unless the school can document that the student completed the period).

In addition, schools have two options for determining the last date of attendance of an unofficial withdrawal: 1) use the midpoint of the payment period or period of enrollment, or 2) if the school is not required to take attendance, determine the last documented academically related activity (e.g., exam, quiz, tutorial, computer-assisted instruction, academic advising/counseling, academic conference, completion of an academic assignment, paper, or project, and/or attending a study group required by the school where attendance was taken). See *2010-2011 Federal Student Aid Handbook, Volume Five, Chapter Two, pages 5-76 through 5-79*

Non Compliance: WU's withdrawal policy concerning unofficial withdrawals states:

Failure to withdraw officially may seriously affect a student's eligibility for future readmission, financial aid eligibility or for transfer to another institution.

During the entrance conference, WU officials detailed their unofficial withdrawal policy which included WU's professors notifying the registrar of dropouts, checking attendance reports once per week after the official drop/add date and if necessary, posting Title IV credits on student's accounts every Tuesday and Thursday after the official drop/add period.

The process was explained by WU's officials during the entrance conference; however, the policy was not written in WU's policy and procedures manual or student handbook.

Required Action: If a student who began attendance and did not officially withdraw fails to earn a passing grade in at least one course offered over an entire period, the school *must* assume, for Title IV purposes, that the student has unofficially withdrawn (unless the school can document that the student completed the period).

In response to this report, WU must revise its withdrawal policy to include procedures for unofficial withdrawals. The policy must be in compliance with DCL GEN-04-03 and must include an unofficial withdrawal policy with consequences for Title IV recipients. For example, the student may be in an overpayment situation because of the withdrawal, a refund (R2T4) calculation will be performed to determine the amount of Title IV aid earned, and that funds may have to be returned to the Department.

Once this policy is revised, WU must send it to the Department. WU must also determine the extent of non-compliance associated with this finding. The institution is required to perform a full file review for all of the 2010-2011 and 2011-2012 Title IV recipients that meet WU's revised withdrawal criteria. This file review is required to reveal any student that has unofficially withdrawn and how this unofficial withdrawal affected Title IV. A file review must be performed for all students that meet this criteria.

The Institution must provide the following information in an Excel Spreadsheet for ALL students that have withdrawn (officially and unofficially) in 2010 – 2011 and 2011 – 2012:

- Student Last Name
- Student First Name
- Student SSN (Last 4 digits)
- Award year
- Program i.e. PELL, FDL, SEOG, etc.
- Award amount disbursed
- Clock or credit hour in program
- Clock or credit hours in academic year
- Clock or credit hours in payment period
- Clock or credit hours earned
- Start Date
- Scheduled End date
- Withdrawal Date
- Re-entry Date (if applicable)
- Last Date of Attendance
- Midpoint Date (if applicable)
- Date of school's determination that student withdrew
- Cost of Attendance
- Cost for Enrollment Period
- R2T4 amount
- R2T4 amount returned to i.e. Department, post withdrawal – student
- Percentage of Tuition Retained
- Withdrawal Type (Official, Unofficial)

Please provide a copy of the R2T4 calculation, account ledger and academic transcript for each student listed in the spreadsheet. The student account ledger must show all Title IV aid disbursed to the students. Your review must include any Title IV recipients who received all "F's", "W's" or "I" (for a semester) on his/her academic transcript, plus documentation to support the student's last date of attendance. A R2T4 calculation must be done whenever a student withdraws; the calculation must be done even if the student has completed 60% or more of the enrollment period.

Submit the results of this review in an electronic Excel spreadsheet. **Return the file to Angelique James by e-mail at Angelique.James@ed.gov within 60 days of receipt of this letter.** This data will contain personally identifiable information and must be emailed as an encrypted WinZip file using Advanced Encryption Standard, 256-bit. The password needed to open the encrypted WinZip file(s) must be sent in a separate email.

D. Appendices¹

¹ The total Title IV aid disbursed (Subsidized and Unsubsidized Direct Loans) at unreported locations is **\$496,610** (Appendix A).

A. Listing of Students at Unreported Locations

Student Number	Student Last Name	Student First Name	SSN	Student Location of Education	Award Year	Program Type	Total Title IV Amount Disbursed
1	(b)(6); (b)(7)(C); (b)(7)(C)			Great Falls	2010/2011	Subsidized Direct Loan	\$3,512
2				Great Falls	2010/2011	Subsidized Direct Loan	\$8,416
3				Great Falls	2010/2011	Unsubsidized Direct Loan	\$4,768
4				Great Falls	2010/2011	Subsidized Direct Loan	\$8,458
5				Great Falls	2010/2011	Unsubsidized Direct Loan	\$120
6				Great Falls	2010/2011	Subsidized Direct Loan	\$6,047
7				Great Falls	2010/2011	Unsubsidized Direct Loan	\$2,531
8				Great Falls	2010/2011	Subsidized Direct Loan	\$7,135
9				Great Falls	2010/2011	Subsidized Direct Loan	\$8,199
10				Laurens County	2010/2011	Subsidized Direct Loan	\$8,459
11				Laurens County	2010/2011	Subsidized Direct Loan	\$8,458
12				Laurens County	2010/2011	Subsidized Direct Loan	\$8,458
13				Laurens County	2010/2011	Subsidized Direct Loan	\$3,483
14				Laurens County	2010/2011	Unsubsidized Direct Loan	\$7,960
15				Laurens County	2010/2011	Subsidized Direct Loan	\$4,742
16				Laurens County	2010/2011	Subsidized Direct Loan	\$8,460
17				Laurens County	2010/2011	Unsubsidized Direct Loan	\$11,941
18				Laurens County	2009/2010	Subsidized Direct Loan	\$4,416
19				Laurens County	2009/2010	Unsubsidized Direct Loan	\$2,702
20				Laurens County	2009/2010	Subsidized Direct Loan	\$845
21				Laurens County	2009/2010	Unsubsidized Direct Loan	\$6,273
22				Laurens County	2010/2011	Subsidized Direct Loan	\$8,460
23				Laurens County	2010/2011	Unsubsidized Direct Loan	\$8,509
24				Laurens County	2009/2010	Subsidized Direct Loan	\$1,700
25				Laurens County	2010/2011	Unsubsidized Direct Loan	\$3,384
26				Laurens County	2010/2011	Unsubsidized Direct Loan	\$15,920
27				Laurens County	2010/2011	Subsidized Direct Loan	\$4,230
28				Laurens County	2010/2011	Subsidized Direct Loan	\$8,458
29				Laurens County	2010/2011	Unsubsidized Direct Loan	\$10,498
30				Laurens County	2010/2011	Unsubsidized Direct Loan	\$18,083
31				Laurens County	2010/2011	Subsidized Direct Loan	\$8,458
32				Laurens County	2010/2011	Unsubsidized Direct Loan	\$2,714
33				Laurens County	2009/2010	Subsidized Direct Loan	\$2,142
34				Laurens County	2009/2010	Unsubsidized Direct Loan	\$3,317
35				Newberry College	2007/2008	Subsidized Direct Loan	\$2,061
36				Newberry College	2008/2009	Unsubsidized Direct Loan	\$17,298
37				Newberry College	2008/2009	Subsidized Direct Loan	\$3,102
38				Newberry College	2009/2010	Subsidized Direct Loan	\$4,229
39				Newberry College	2009/2010	Unsubsidized Direct Loan	\$4,788
40				Newberry College	2007/2008	Subsidized Direct Loan	\$3,516

Student Number	Student Last Name	Student First Name	East 4 SSN	Student Location of Education	Award Year	Program Type	Total Title IV Amount Disbursed
41	(b)(6); (b)(7)(C); (b)(7)(C)			Newberry College	2008/2009	Subsidized Direct Loan	\$7,789
42				Newberry College	2009/2010	Subsidized Direct Loan	\$4,229
43				Newberry College	2008/2009	Unsubsidized Direct Loan	\$5,970
44				Newberry College	2009/2010	Unsubsidized Direct Loan	\$3,234
45				Newberry College	2007/2008	Subsidized Direct Loan	\$2,653
46				Newberry College	2008/2009	Subsidized Direct Loan	\$6,937
47				Newberry College	2009/2010	Subsidized Direct Loan	\$3,576
48				Newberry College	2007/2008	Subsidized Direct Loan	\$4,222
49				Newberry College	2007/2008	Unsubsidized Direct Loan	\$726
50				Newberry College	2008/2009	Subsidized Direct Loan	\$8,458
51				Newberry College	2008/2009	Subsidized Direct Loan	\$6,524
52				Newberry College	2008/2009	Unsubsidized Direct Loan	\$10,784
53				Newberry College	2009/2010	Subsidized Direct Loan	\$3,476
54				Newberry College	2009/2010	Unsubsidized Direct Loan	\$6,582
55				Newberry College	2007/2008	Subsidized Direct Loan	\$3,844
56				Newberry College	2007/2008	Unsubsidized Direct Loan	\$1,104
57				Newberry College	2008/2009	Subsidized Direct Loan	\$8,458
58				Newberry College	2008/2009	Unsubsidized Direct Loan	\$8,840
59				Newberry College	2009/2010	Subsidized Direct Loan	\$4,229
60				Newberry College	2009/2010	Unsubsidized Direct Loan	\$4,646
61				Newberry College	2007/2008	Subsidized Direct Loan	\$1,047
62				Newberry College	2007/2008	Unsubsidized Direct Loan	\$4,027
63				Newberry College	2008/2009	Subsidized Direct Loan	\$8,460
64				Newberry College	2008/2009	Unsubsidized Direct Loan	\$11,942
65				Newberry College	2009/2010	Subsidized Direct Loan	\$988
66				Newberry College	2009/2010	Unsubsidized Direct Loan	\$9,071
67				Newberry College	2007/2008	Subsidized Direct Loan	\$3,019
68				Newberry College	2007/2008	Unsubsidized Direct Loan	\$1,927
69				Newberry College	2008/2009	Subsidized Direct Loan	\$8,458
70				Newberry College	2007/2008	Subsidized Direct Loan	\$3,890
71				Newberry College	2008/2009	Subsidized Direct Loan	\$8,458
72				Newberry College	2008/2009	Unsubsidized Direct Loan	\$1,665
73				Newberry College	2009/2010	Subsidized Direct Loan	\$4,229
74				Professional Dev	2010/2011	Subsidized Direct Loan	\$8,458
75				Professional Dev	2010/2011	Unsubsidized Direct Loan	\$11,643
76				Professional Dev	2010/2011	Subsidized Direct Loan	\$2,971
77				Professional Dev	2010/2011	Unsubsidized Direct Loan	\$12,603
78				Professional Dev	2010/2011	Subsidized Direct Loan	\$8,458
79				Professional Dev	2010/2011	Unsubsidized Direct Loan	\$11,941
80				Professional Dev	2010/2011	Subsidized Direct Loan	\$3,505
81				Professional Dev	2010/2011	Unsubsidized Direct Loan	\$1,893
82				South Mecklenburg	2009/2010	Subsidized Direct Loan	\$1,677
83				South Mecklenburg	2009/2010	Unsubsidized Direct Loan	\$3,749